SLS 10RS-1460 **ENGROSSED** 

Regular Session, 2010

SENATE BILL NO. 707

BY SENATOR ALARIO

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TAX/LOCAL. Provides for the definition of contractor for purposes of the occupational license tax. (8/15/10)

1	AN ACT
2	To amend and reenact R.S. 47:342(3), relative to the occupational license tax; to define
3	contractor for purposes of the occupational license tax; and to provide for related
4	matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 47:342(3) is hereby amended and reenacted to read as follows:
7	§342. General definitions
8	For the purposes of this Chapter, unless the context clearly otherwise requires
9	or unless otherwise defined in specific portions of the Chapter, the following words
10	shall have the respective meanings ascribed to each in this Section.
11	* * *
12	(3) Contractor. "Contractor" is synonymous with the term "Builder" and
13	means a person, firm, partnership, corporation, association, or other organization, or
14	a combination of them, which undertakes to or offers to undertake to, or purports to
15	have the capacity to undertake to, or submits a bid to, or does himself or by or
16	through others, construct, alter, repair, add to, subtract from, improve, move, wreck,

or demolish any building, highway, road, railroad, excavation, or other structure or

movable, project, development or improvement, or to do any part thereof, including the erection of scaffolding or other structure or works in connection therewith and includes subcontractors and specialty contractors. As such, the word, "contractor" shall include fabricators and oil field service contractors, which shall consist of including those contractors performing general oil well servicing, maintenance, and construction when conducted as a single company unit. "General oil well servicing" shall include welding, pipe coating, pipe inspection, wireline service, automation, workover, logging, analysis, seismograph, installing and servicing equipment, packing, platform work, perforating, and completion.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Martha S. Hess.

## **DIGEST**

Alario (SB 707)

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<u>Present law</u> authorizes municipalities and parishes to levy and collect an occupational license tax on persons doing business within the territorial jurisdiction of the municipality or parish.

Present law defines "contractor" to be synonymous with the term "builder" and means a person, firm, partnership, corporation, association, or other organization, or a combination of them, which undertakes to or offers to undertake to, or purports to have the capacity to undertake to, or submits a bid to, or does himself or by or through others, construct, alter, repair, add to, subtract from, improve, move, wreck, or demolish any building, highway, road, railroad, excavation, or other structure, project, development or improvement, or to do any part thereof, including the erection of scaffolding or other structure or works in connection therewith and includes subcontractors and specialty contractors. Present law further provides that the word "contractor" shall include oil field service contractors, which shall consist of those contractors performing general oil well servicing, maintenance, and construction when conducted as a single company unit.

<u>Proposed law</u> retains <u>present law</u> but includes in the definition of "contractor" an entity which constructs, alters, repairs, adds to, subtracts from, improves, moves, wrecks, or demolishes any movable. <u>Proposed law</u> further provides that the word "contractor" shall include fabricators in addition to oil field service contractors, including those contractors performing general oil well servicing, maintenance, and construction when conducted as a single company unit.

Effective August 15, 2010.

(Amends R.S. 47:342(3))